



# ASSISTANT SECRETARY OF THE ARMY (FINANCIAL MANAGEMENT & COMPTROLLER)



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## Army Banking Flash Report BANK AND CREDIT UNION LIAISON OFFICERS (BLO/CULO) DoDFMR Volume 5, Chapter 34, Sections 340508 and 340709

This is my first newsletter addressing the important role of the Bank/Credit Union Liaison Officer; thank you for what you do. I understand this role is an additional duty but it is an important part of our financial readiness and military family support. The banking industry is facing a lot of regulatory restructuring and the effects of some of those changes will affect our on-base Financial Institutions (FI). Additionally, financial education and consumer issues seem to be the two main themes for our service members and their families. I believe our on-base partners are taking good care of all personnel on our installations. However, I need your help to ensure issues are reported and addressed immediately. I am here at the strategic level of HQDA committed to supporting your efforts and ensuring the regulations that govern our military banks and credit unions are strictly adhered to. Service to Soldiers!

**Colonel Troy A. Clay, Commander United States Army Financial Management Command**

### Department of Defense Banking Issues

The Army is addressing the following areas related to banking, education, and consumer issues:

I. BRAC- We are currently in draft form of policy concerning the on-base FIs. We will identify the three most common BRAC classifications and the related rules of engagement for each one. They are:

1. Base Closures: If the base is completely closing down.
2. Combinations (Joint Basing, Base Realignment, etc.): Any situation where two or more bases become one.
3. Movements (Transfers): An agency or department with a supporting financial institution moves or transfers to a base with existing bank(s)/credit union(s)

II. Base Access- Please report any unusual circumstances getting access to the base for bank or

credit union employees. The main problem, we are currently aware of is Rapid Gate. The cost of this base access program is passed on to some of the banks and credit unions. This may be an unfair practice since the employer nor employees should have to pay for access to a base where they provide a service. The final decision as to who should absorb this cost is pending.

III. Financial Education & Training- Army One Source: There is a big effort underway to ensure that the appropriate financial education and training is available for our service members and their families. The on-base banks and credit unions, in conjunction with the ACS Financial Readiness Program Managers, are working hard to provide solutions to this problem. However, the command needs to be involved as

well to ensure that if classes are provided there will be personnel in attendance. Additionally, there are numerous online resources. One key website for computer based financial training, calculators and a literacy game is provided by Army One Source.

<https://www.myarmyonesource.com/familyprogramsandservices/financialreadiness/default.aspx>

IV. Consumer Issues: When necessary work with the financial counselors and JAG offices on-base to identify any reports or complaints regarding consumer financially related issues such as overdrafts charges, payday loans and auto loans. If we all work together we can ensure any problems are appropriately handled or elevated to the right level to address consumer issues or programs that seek to exploit and take advantage of our service members or their families.

### Operating Agreements (OA)

The OA is the document describing the products, services and support the FI committed to providing on the installation. This document should be reviewed at least annually to see if there will be any changes to the provisions in the OA. It should be updated at least every five years. This is described as a negotiation process. This will ensure any changes in fees or services are understood by both parties and updated in the agreement.

### Sponsorships

Outside agencies can sponsor events on-base under these rules:

1. No material that promotes a product/service that competes with the services of the on-base FI's can be distributed or displayed.
2. Any survey, raffle or other communication can not be used to collect personal information for later solicitation of services, unless the customer gives written consent for the agency to do so.

### Attention all Service members and families! Do you have a consumer complaint?

Military Sentinel ([https://www.ftccomplaintassistant.gov/military\\_home.htm](https://www.ftccomplaintassistant.gov/military_home.htm)) is a project of the Federal Trade Commission and the Department of Defense to identify and target consumer protection issues that affect members of the United States Armed Forces and their families. To file a consumer complaint, click on your Military Service seal at the top of the home page. This will link you to the consumer complaint forms. Military Sentinel allows members of the United States Armed Forces to enter consumer complaints directly into a database that is immediately accessible by over 500 law enforcement organizations throughout the United States, Canada and Australia. These law enforcement agencies use this complaint data to target cases for prosecution and other enforcement measures. The information from Military Sentinel can be used by members of the JAG staff and others in the Department of Defense to help protect armed services members and their families from consumer protection-related problems. Military Sentinel also provides a gateway to consumer education materials covering a wide range of consumer protection issues from auto leasing, to identity theft, to work-at-home scams. To view consumer education material and find out more about the Federal Trade Commission, click on the Federal Trade Commission seal.

### BLO/CULO Training

There are two annual conferences that host this training. Let me know if you will attend one. (Registration Fees waived). Training is conducted annually at the PDI as well (no fee waived).

Defense Credit Union Council  
Minneapolis, Minnesota, August 22-25, 2010

Association of Military Banks of America, San Diego, California, September 12-15, 2010